

'Need Govt-Industry Dialogue on E-vehicles'

ET Q&A

Abhay Firodia, the chairman of Force Motors who took over as the president of auto industry body

Society of Indian Automobile Manufacturers (SIAM) last month, spoke to **Nabeel A Khan** on the industry's preparedness on moving to BS-VI emission standards, and meeting the government's aim on electric mobility. Edited excerpts:

A few days ago, Union minister for road transport and highways Nitin Gadkari said, 'hasten the move to electric mobility or get bulldozed'. Do you think the industry is ready for this?

I think this is a welcome and clear policy statement. So, first I want to support it and the industry should welcome what he said. The second aspect is that if this is the direction of thinking – how do we as a nation, as an industry, as stakeholders – move in a manner that is constructive, not disruptive, to achieve the end objective that we all want.

You said it will take at least five years for the industry to move to BS-VI. But we do not have five years. What alternatives are available?

For BS-VI, we will be there by 2020. It is going to be sleepless nights for a lot of people, not just in the automotive industry but also in the component industry and the testing agencies.

From Gadkari's statement, we understand that the government would take proactive measures to implement EVs. But we do not have a road map yet...

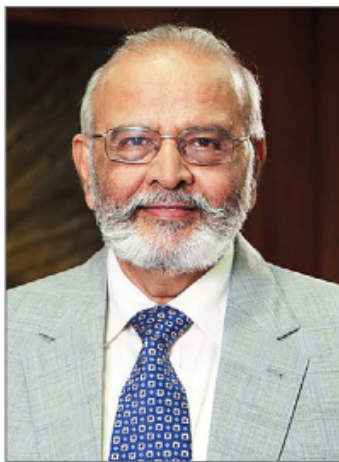
His statement reflects his long-standing views. So, there is no ambiguity in this. It is not just Mr Gadkari, but also the ministry of heavy industries, the petroleum ministry, the power ministry, and organisations such as the NITI Aayog that will determine the shape of the policy. All of them will have to work with the industry to evolve a road map. That is the key. If we can do that collaboratively, the results will be better. If we do it in isolation, that means the industry is thinking one thing and the government another thing. Unfortunately, this happened in the past, and should not happen again.

If we talk about the government's support, what is the industry looking forward to make it work in terms of adopting electric vehicles (EVs)?

The government should first constitute a dialogue with the industry. Today, a lot of thinking is happening within the government. But the level of dialogue with the industry can be intensified with the given urgency expressed by the government. I am sure if such a dialogue is held transparently and all aspects are understood, resolutions and a way forward can be found without much delay.

We do not have much of indigenous technology on EVs. So, is it mostly going to be joint ventures or technical alliance?

There are four important elements in the category. The key element is the battery. It has to be available at a reasonable price so that it can compete with a non-EV or fossil fuel vehicles. Battery manufacturing is not something that the automobile manufacturers do. Battery companies will do it. The second aspect is the motor and the drive. The automobile industry and the electric



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motor industry in India will collaborate to produce motors. And, it is not rocket science – this knowledge is well-established in India. This will be available in time. It does not take more than two-three years to develop a drive system which is electric. The third element is of control systems. These are also possible to be developed in India with Indian knowledge, software, technology, but it will take 2-3 years of experimentation to mature. The last element is the integration of all... In an EV, failure of connectors and ruptures in the cabling system can lead to fire. So, all of this has to be engineered.

Do you see a crisis emanating for some component makers with EVs coming in?

The danger is not for the auto component manufacturers, but for dealers and maintenance workshops. Today, the number of people employed in garages, which maintain engines and gear boxes, are in millions. A few years after the introduction of electro mobility, they will become idle. The maintenance cost of an EV is expected to be 1% of the maintenance cost of an ICE (internal combustion engine) automobile. The component manufacturers will have issues. Those who are making drivetrain components will have to work to adapt themselves to electro-mobility components. Whether all can do it is a matter of conjecture. I don't believe that a full transition is possible. So, it has to be managed in an as painless manner as possible.

What will be the impact on jobs in the automobile industry?

Technology is progressing rapidly, the new world is emerging, and the jobs will be different. There won't necessarily be a reduction in jobs.

ON DISRUPTION BY EVs

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